IN THE UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF TEXAS
MARSHALL DIVISION

GEODYNAMICS, INC.,	§	
	§	
Plaintiff,	§	
	§	
v.	§	Civil Action No. 2:17-cv-371
	§	
DYNAENERGETICS US, INC.,	§	
	§	
	§	
Defendant.	§	**JURY TRIAL DEMANDED**

COMPLAINT FOR PATENT INFRINGEMENT

Plaintiff GEODynamics, Inc. ("GEODynamics") by their attorneys, files this Complaint for Patent Infringement and Request for Jury Trial, complaining of DynaEnergetics US, Inc. ("DynaEnergetics"), and would respectfully show as follows:

Nature of the Action

1. Plaintiff GEODynamics has been a pioneer in the application to oil-field perforation methods (a/k/a "fracing") with respect to use of explosives technology adapted and modified from military technology. GEODynamics has been at the forefront of the research, development, and deployment of perforation guns using shaped charges with a liner that in simplified terms creates a second explosion after the main charge is detonated that has the effect of removing debris from the cavity created in the formation thereby increasing the flow of hydrocarbons from the formation. This technology is highly valuable. GEODynamics has expended significant resources in money and engineering time to perfect its CONNEX® Reactive Completion Technology for its shaped charges, as well as methods for perforating a

wellbore using the shaped charges, which have become the industry leader in this application. GEODynamics has received U.S. Patent No. 9,080,431, issued July 14, 2015 covering its groundbreaking inventions regarding methods of perforating a wellbore. As of June 30, 2016, GEODynamics is also the assignee with the right to sue for past damages of U.S. Patent No. 8,220,394 (‘394 Patent) which was previously assigned to QinetiQ, Ltd. (a defense technology company in the United Kingdom). The title of the ‘394 Patent is: “Oil Well Perforators.” Without making the same investment in research or development, Defendant DynaEnergetics, the U.S. sister corporation of a German explosives company, on information and belief, has sold in the United States its “DPEX® reactive liner technology” shaped charges for use in perforating wellbores. In September, 2016, DynaEnergetics introduced its “HaloFrac”™ shaped charge. On information and belief, such HaloFrac and DPEX shaped charges have either been manufactured at the DynaEnergetics facility in Blum, Texas and/or manufactured by DynaEnergetics’ sister company in Germany. On information and belief, such HaloFrac and DPEX shaped charges infringe one or more of the claims of the ‘394 Patent, including claim 1. On information and belief, DynaEnergetics has known of the ‘394 Patent and its infringing activities for at least several years and was aware of the CONNEX product and that QinetiQ had performed research and development with GEODynamics in this regard, as early as 2007, and has been following the progress of the patent applications closely. Plaintiff has therefore been forced to bring the instant lawsuit to protect its industry-leading patented technology.

Parties

2. Plaintiff GEODynamics is a corporation organized and existing under the laws of the State of Delaware, with a principal office located at 10500 West Interstate 20, Millsap, Parker County, Texas, 76066.

3. Defendant DynaEnergetics US, Inc. ("DynaEnergetics") is a corporation organized under the laws of the State of Colorado, with an office located at 2050 W. Sam Houston Pkwy S., Suite 1750, Houston, TX 77042-3659 and maintains a registered agent for service of process at National Registered Agents, Inc., 1999 Bryan St., Suite 900, Dallas, TX 75201.

Jurisdiction and Venue

4. Subject matter jurisdiction is proper in this Court under 28 U.S.C. §§ 1331 and 1338(a) as this is a claim for infringement of a U.S. patent pursuant to 35 U.S.C. § 1 et seq., including 35 U.S.C. § 271.

5. Defendant DynaEnergetics is subject to personal jurisdiction within Texas and this judicial district, as on information and belief it sells or offers to sell HaloFrac and DPEX. Defendant DynaEnergetics has distribution facilities for its HaloFrac and "DPEX® reactive liner technology" shaped charges located throughout Texas, including the former Austin Explosives location at 4843 Tidwell Dr., Tyler, TX 75708 which states in its listing at the following link that it is "the exclusive U.S. distributor for DynaEnergetics, AECO provides quality German-engineered and manufactured products that set the standard for excellence in oilfield explosives": http://www.yellowpages.com/tyler-tx/mip/austin-explosives-13984657. Venue as to Defendant is thus proper pursuant to 28 U.S.C. §§1391(b) and (c), and 1400(b).

Count 1: Infringement of '394 Patent

6. The '394 Patent, a copy of which is attached as Ex. A, is titled "OIL WELL PERFORATORS" and was duly and legally issued by the U.S. Patent and Trademark Office on July 17, 2012 to QinetiQ Ltd. as the assignee. Plaintiff is currently the assignee of the '394

Patent, including standing to sue and the right to recover all past, present, and future damages for infringement of the ‘394 Patent.

7. Defendant DynaEnergetics is infringing at least claim 1 of the ‘394 Patent by offering to sell and/or selling in the United States its HaloFrac and its “DPEX® reactive liner technology” shaped charges.

8. Claim 1 of the ‘394 Patent reads:

> 1. A reactive, oil and gas well shaped charge perforator comprising a liner and an associated shaped charge, whereby the liner is a green compacted particulate composition formed from a powder mixture comprising at least two metal elements, and whereby the liner is reactive such that the at least two metal elements will undergo an intermetallic alloying reaction to give an exothermic reaction upon activation of the associated shaped charge, and in which the at least two metal elements are provided in respective proportions calculated to give an electron concentration of 1.5, and wherein the composition further comprises at least one further inert metal, wherein the at least one further inert metal is not capable of an exothermic reaction with the at least two metal elements upon activation of the shaped charge liner.

On information and belief, Defendant’s HaloFrac and DPEX shaped charge perforator products each include a liner which satisfies these limitations, as well as satisfying the remaining claim limitations.

9. Defendant’s continuing acts of infringement have caused and will continue to cause damage to Plaintiff, and Plaintiff is entitled to recover from Defendant the damages sustained as a result of Defendant’s wrongful acts in an amount subject to proof at trial, including lost profits, but in no event less than a reasonable royalty.

10. Due to Defendant’s continuing acts of willful infringement, Plaintiff is entitled to recover up to treble damages pursuant to 35 U.S.C. § 284, and an award of attorney fees pursuant to 35 U.S.C. § 285.

Demand for Jury Trial

Plaintiff demands a jury trial on all issues so triable.

Prayer

Plaintiff GEODynamics prays that, after trial, this Court enter judgment against Defendant as follows:

(a) An entry of final judgment in favor of Plaintiff and against Defendant;

(b) An award of damages adequate to compensate Plaintiff for the infringement of the ‘394 Patent that has occurred, but in no event less than a reasonable royalty as permitted by 35 U.S.C. § 284, together with prejudgment interest from the date the infringement began;

(c) A permanent injunction permanently prohibiting Defendant and all persons in active concert or participation with any of them from further acts of infringement of the ‘394 Patent;

(d) Treble damages as provided for under 35 U.S.C § 284 in view of the knowing, willful, and intentional nature of Defendant’s acts;

(e) Awarding Plaintiff its costs and expenses of this litigation, including reasonable attorneys’ fees and disbursements, pursuant to 35 U.S.C. § 285 on the basis that this case is exceptional due to the conduct of Defendant; and

(f) Plaintiff have such other and further relief as the Court deems just and proper.

Dated: April 28, 2017

Respectfully submitted,

s/ Theodore G. Baroody

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